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AN ACT

RELATING TO EDUCATIONAL RETIREMENT; PROVIDING THAT RETIREES WHO RETURN TO WORK MAKE NONREFUNDABLE CONTRIBUTIONS; RECONCILING DIFFERENT AMENDMENTS TO A CERTAIN SECTION OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-11-25.1 NMSA 1978 (being Laws 2001, Chapter 283, Section 2, as amended by Laws 2003, Chapter 80, Section 1 and by Laws 2003, Chapter 145, Section 1) is amended to read:

"22-11-25.1. RETURN TO EMPLOYMENT--BENEFITS CONTINUED--EMPLOYEE CONTRIBUTIONS--ADMINISTRATIVE UNIT CONTRIBUTIONS.--

A. Except as provided in Subsections B and E of this section, beginning January 1, 2002 and continuing until January 1, 2012, a retired member may begin employment at a local administrative unit and shall not be required to suspend retirement benefits if the member has not been employed as an employee or independent contractor by a local administrative unit for at least twelve consecutive months from the date of retirement to the commencement of employment or reemployment with a local administrative unit. If the retired member returns to employment without first completing twelve consecutive months of retirement, the retired member shall remove himself from retirement.

1           B. A retired member who was retired on or before  
2 January 1, 2001, has not since suspended or been required to  
3 suspend retirement benefits pursuant to the Educational  
4 Retirement Act and is reemployed by a local administrative  
5 unit prior to January 1, 2012 may continue employment at the  
6 local administrative unit and shall not be required to  
7 suspend retirement benefits.

8           C. A retired member who returns to employment  
9 during retirement pursuant to Subsection A, B or E of this  
10 section is entitled to continue to receive retirement  
11 benefits but is not entitled to acquire service credit or to  
12 acquire or purchase service credit in the future for the  
13 period of the retired member's reemployment with a local  
14 administrative unit.

15           D. A retired member who returns to employment  
16 pursuant to Subsection A, B or E of this section shall make  
17 nonrefundable contributions to the fund as specified in the  
18 Educational Retirement Act; however, the local administrative  
19 unit's contributions as specified in that act shall be paid  
20 to the fund as if the retired member was a non-retired  
21 employee.

22           E. Beginning July 1, 2003 and continuing until  
23 January 1, 2012, a retired member who retired on or before  
24 January 1, 2001 and who has not been employed as an employee  
25 or independent contractor by a local administrative unit for

1 at least ninety days may begin employment at a local  
2 administrative unit without suspending retirement benefits if  
3 the retired member was not employed by a local administrative  
4 unit for an additional twelve or more consecutive months  
5 after the initial date of the retirement; provided that the  
6 ninety-day period shall not include any part of a summer or  
7 other scheduled break or vacation period."

8 Section 2. TEMPORARY PROVISION--APPLICABILITY.--The  
9 provision of this act that requires employee contributions  
10 applies to salaries received by retired members on or after  
11 the effective date of this act, regardless of when the retired  
12 member returned to employment.

13 Section 3. EFFECTIVE DATE.--The effective date of the  
14 provisions of this act is July 1, 2005. \_\_\_\_\_

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